BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COLUMBIA, SOUTH CAROLINA

HEARING #22-11976

FEBRUARY 3, 2022

10:01 A.M.

ND-2021-44-E:

E4CAROLINAS SOUTH CAROLINA CLEAN ENERGY INDUSTRIES TASK FORCE —

Allowable Ex Parte Briefing Regarding the Merger of E⁴Carolinas and South Carolina Clean Energy Business Association, as well as the Introduction of Team Members and Activities of E4 Carolinas and the Task Force

ALLOWABLE EX PARTE BRIEFING

COMMISSION MEMBERS PRESENT: Justin T. WILLIAMS, CHAIRMAN Florence P. Belser, Vice Chair; and Commissioners Carolyn L. 'Carolee' Williams, Stephen M. 'Mike' Caston, Thomas J. 'Tom' Ervin[A/V], Headen B. Thomas, and Delton W. Powers, Jr.

ADVISOR TO COMMISSION: Sandra V. Moser, Esq. STAFF COUNSEL

STAFF PRESENT: Jocelyn Boyd, Chief Clerk/Executive Director; Jo Anne Wessinger Hill, General Counsel; David W. Stark, III, Esq., Legal Staff; Norman Scarborough, Ph.D., and John Powers, Technical Advisory Staff; Virginia 'Ginger' Crocker, Clerk's Staff; Jackie Thomas and Randy Erskine, Information Technology Staff; Gwen Richardson and Melissa Purvis, Livestream Technical Staff; and Jo Elizabeth M. Wheat, CVR-CM/M|GNSC, Court Reporter

APPEARANCES:

BONNIE D. LOOMIS, ESQUIRE, legal representative of/for E⁴CAROLINAS SOUTH CAROLINA CLEAN ENERGY INDUSTRIES TASK FORCE, together with PRESENTERS HON. JEFFREY S. MERRIFIELD [Board Chairman/E⁴Carolinas], WESTON ADAMS [Board Member/E⁴Carolinas], BRYAN STONE [Board Member/E⁴Carolinas], and JOHN MORRISON [President & CEO/E⁴Carolinas]

CHRISTOPHER M. HUBER, ESQUIRE, Designee of the Executive Director of the SOUTH CAROLINA OFFICE OF REGULATORY STAFF

Public Service Commission of South Carolina

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[A/V] AUDIO- AND/OR VIDEOCONFERENCED PARTICIPATION

PROCEEDINGS

CHAIRMAN J. WILLIAMS: Good morning, ladies and gentlemen. Welcome to the Public Service Commission of South Carolina. Today is Thursday, February 3rd; the time is 10:01 a.m.

Please join me in a brief moment of silence.
[Brief pause]

Thank you. Present in the hearing room we have Commissioners J. Williams, C. Williams, Caston, Powers, Belser, and Thomas; joining us virtually we have Commissioner Ervin.

Attorney Moser, if you would, please, read the docket.

MS. MOSER: Thank you, Mr. Chairman. Good
morning, Commissioners and -

CHAIRMAN J. WILLIAMS: Attorney Moser, do you have a microphone at the podium, ma'am?

MS. MOSER: [Indicating.] I do. Thank you,
Mr. Chairman.

Good morning to Commissioners and all who are present here today, in person or virtually. Today is Thursday, February 3, 2022, and we are here in the Commission's hearing room pursuant to a Notice of Request for an Allowable Ex Parte Briefing from South Carolina Clean Energy Industries Task Force,

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a task force of E^4 Carolinas. The briefing is outlined in Commission Order No. 2021-725.

The subject matter noticed to be discussed today relates to the merger of E^4 Carolinas and South Carolina Clean Energy Business Alliance, as well as the introduction of team members and activities of E^4 Carolinas and the task force.

This, I would remind everyone, is a briefing and not a hearing. The briefing must be conducted in compliance with the provisions of South Carolina Code Section 58-3-260(C), and the requirements of that statute are, in part, that the allowable exparte briefing be confined to the subject matter which has been noticed.

The South Carolina Clean Energy Industries

Task Force shall present information to the

Commission at this allowable ex parte on the

following items: First, an overview of the merger

between E⁴Carolinas and South Carolina Clean Energy

Business Alliance; and, second, an introduction of

the team members and the various activities of

E⁴Carolinas and the task force. I would, therefore,

ask the presenters, Commissioners, and the Staff to

please refrain from discussing any matters not

related to the specific topic.

2.1

The statute prohibits any presenter,
Commissioners, or Commission Staff from requesting
or giving any commitment, any predetermination, or
prediction, regarding any action by a Commissioner
as to an ultimate issue which is either — either is
or is likely to come before the Commission itself.

I would also ask the presenters, the Staff, and the Commissioners to refrain from referencing any report, any article, statute, or document -

[Webex Connection/Livestream failed]

- of any kind, that is not included in today's presentation.

CHAIRMAN J. WILLIAMS: Attorney Moser, I hate to interrupt your reading of the docket, but we have just lost contact. Let's take a 15-minute recess.

> [WHEREUPON, a recess was taken from 10:04 to 10:17 a.m.]

CHAIRMAN J. WILLIAMS: Good morning, ladies and gentlemen. Welcome to the Public Service Commission of South Carolina. Thank you for being patient with us as we maneuver through our technical difficulties. Because we don't know whether or not the first attempt at this briefing was successfully recorded, we're going to start

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So we'll start with roll. Present in the hearing room we have Commissioners Williams, Caston, Powers, Belser, C. Williams, and Thomas; joining us virtually we have Commissioner Ervin.

Attorney Moser, if you would, please, read the docket.

MS. MOSER: Thank you Mr. Chairman.

Good morning, Commissioners, and to all who are present here today, in person or virtually. Today is Thursday, February 3, 2022. We are here in the Commission's hearing room pursuant to a Notice of Request for Allowable Ex Parte Briefing from South Carolina Clean Energy Industries Task Force, a task force of E^4 Carolinas. The briefing is outlined in Commission Order No. 2021-725.

The subject matter noticed to be discussed today relates to the merger of E^4 Carolinas and South Carolina Clean Energy Business Alliance, as well as the introduction of team members and activities of E^4 Carolinas and the task force.

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refrain from discussing any matters not related to

the specific topic.

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Commissioners, or Commission Staff from requesting
or giving any commitment, any predetermination, or
prediction, regarding any action by any

Commissioner as to an ultimate issue which either
is or is likely to come before the Commission.

I would also ask the presenters, the Staff, and Commissioners to refrain from referencing any report, article, statute, or document of any kind, that is not included in today's presentation. A copy of any document which is referenced during the

briefing must be provided to the Office of Regulatory Staff for inclusion into the record, which will be certified to the Chief Clerk of the Commission, Ms. Jocelyn Boyd.

If anyone, during the course of this briefing, exceeds the scope or does not comply with or fails to conduct themselves within the provisions of South Carolina Code Section 58-3-260, governing allowable ex parte briefings, it is expected that a contemporaneous objection will be made.

And, finally, everyone in attendance today, in person or virtually, must sign in or register. Everyone in the hearing room or watching virtually must read, sign, and return the form which you were given at the door or the form which will be e-mailed to you for your virtual appearance, which will include instructions and the deadline for its It is required by law for each attendee, whether attending virtually or in person, to certify that the requirements contained in Section 58-3-260(C) have been complied with in this presentation.

Thank you-all for your time and your attention. Thank you, Chairman.

> CHAIRMAN J. WILLIAMS: Thank you, Attorney

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Office of Regulatory Staff?

MR. HUBER: Good morning, Mr. Chairman, Madam Vice Chair, and members of the Commission. My name is Chris Huber and I am General Counsel for the Office of Regulatory Staff, and I am here today as the designee of ORS's Executive Director for today's allowable ex parte briefing. Thank you.

CHAIRMAN J. WILLIAMS: You are very welcome, Attorney Huber. Is that a promotion?

MR. HUBER: Yes, Mr. Chairman. Thank you.

CHAIRMAN J. WILLIAMS: Congratulations.

All right. Ms. Loomis?

MS. LOOMIS: Thank you, Mr. Chairman. Thank you, Vice Chairman — Chairwoman. My name is Bonnie Loomis, and I am South Carolina Managing Director for E⁴Carolinas, and we are extremely grateful to have the opportunity to be with you today in person, ourselves, and be with those who are joining virtually.

I became a member of the E^4 Carolinas team in July of 2020 when the South Carolina Clean Energy Business Alliance combined with E^4 Carolinas. And part of that combination included the two co-chairs of our South Carolina Clean Energy Industries Task

Force. And I'm going to hand it over to Weston
Adams, who is one of those two co-chairs, to
introduce himself, our presenters, and his fellow
co-chair.
Again, we're very grateful to the Commission,
to the Commission Staff — which has been very

to the Commission Staff — which has been very helpful in putting this together — and also to the Office of Regulatory Staff. Thank you.

CHAIRMAN J. WILLIAMS: Thank you, Ms. Loomis.

Attorney Adams.

MR. W. ADAMS [E⁴Carolinas]: Yes, sir, Mr.

Chairman. Thank you very much for having us here.

Thank you to all of you.

You know, I practice law at Nelson Mullins, but today I'm really here in a slightly different context as a board member of E^4 . I was the Chairman of SCCEBA before it was folded into E^4 , and so we've added the South Carolina component to E^4 . And Jeff and John will give you a bit more on that, after I introduce them. And they'll give you sort of the mission and purpose of E^4 . They'll get into all the details on that.

I'll just simply say that we are a two-state nonprofit headquartered in Charlotte, covering both South Carolina and North Carolina. And our

mission, simply put, is to advance the energy economy, writ large, in the Carolinas. So that's kind of what we're about.

So the leadership — Bryan Stone, who is back here on the front row. Bryan, maybe wave to them?

MR. B. STONE [E⁴Carolinas]: [Indicating.]

MR. W. ADAMS [E⁴Carolinas]: — is my co-chair for the South Carolina task force of E^4 . Bryan is the President of Lockhart Power. He also, for a time, concurrently ran Ni America, the largest wastewater system in the State — had a dual job in that context - and now he's back to being the President of Lockhart Power alone. And Bryan and I basically run the South Carolina task force for E^4 .

Jeff Merrifield, immediately to my right, right here, is the global head of the energy practice at Pillsbury Winthrop Law Firm in Washington, DC. Jeff previously served on the US Nuclear Regulatory Commission; he was appointed to the Commission by both President Clinton and President Bush II. And Jeff lives in Davidson, North Carolina, and works up in Washington.

And then to Jeff's right is John Morrison. John has a 40-year career in the energy industry. He is the President and CEO of E^4 . He just joined

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us about three weeks ago and so is new in the saddle, but has more than a 40-year track record. He previously ran several solar developers, just has a long record. He also was the COO of Advanced Energy Corp., and was a research associate at Harvard Business School. John has engineering degrees from Yale and Stanford, and an MBA from Harvard Business School.

And so this is an impressive bunch, the folks that I brought here to introduce to you. And sort of what we're trying to do here is spread E4's wings and make it an effective nonprofit across two states, helping advance the energy economy here.

I'm going to turn it over to our Board Chairman, Jeff Merrifield, and let him tell you the story.

HON. J. MERRIFIELD [E4Carolinas]: Mr. Chairman, Madam Vice — [indicating]. Mr. Chairman, Madam Vice Chair, and members of the Commission, thank you very much for allowing us to come before you today to talk a little bit about E4Carolinas and what we do.

Before I launch into E⁴, I'll just make a couple of notes to layer on top of what Weston has I come to you, obviously, as a former member

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of the Nuclear Regulatory Commission. I'm an alumnus of NRUC and continue to do a variety of activities with the Energy Committee.

Particularly, my role is the Pillsbury Law

Particularly, my role is the Pillsbury Law chair of our practice. My specialty is nuclear law and all that goes along with it. And we're the oldest and the largest nuclear law practice in the world.

As it relates to that, I also bring greetings from David Wright, who's obviously familiar and a former chairman of this Commission, who is currently a member of the U.S. Nuclear Regulatory Commission. David was also a former board member on E^4 , so he was very familiar with the activities and has frequently contributed to a number of the conferences we've had since the time he was on the Commission through now.

I thought, today, what I would do in our presentation was begin a little bit by telling a little bit of what we aren't, and then I'm going to go into what we are and the history of that.

The what-we-aren't part is we are not a lobbying organization; we are not a litigating organization; and we are not an organization that advocates for or against any piece of legislation.

We're a 501(c)(6). We are educational in nature; we're a membership-based organization. And our focus for our group is workforce development, building the energy economies of South Carolina and North Carolina, and really working with economic developers to bring more companies in the energy arena to the two-state region. And we'll talk a little bit more about that in the presentation.

The genesis of E^4 actually harkens back to the

The genesis of E⁴ actually harkens back to the sort of mid-to-late 2000s. There was a predecessor entity called Carolinas Nuclear Cluster. Much of that was located and based out of Fort Mill. It brought together a variety of nuclear-related companies in North and South Caroline, and really was a time when that was really burgeoning.

Beginning in, I think, around the 2011 timeframe, there was a recognition that there was really something going on here in the two-state region as it relates to companies involved in supplying electricity, its components, and workforce. As a result of that, a group of energy leaders led by Jim Rogers, who was then the CEO of Duke, came together and they kicked off a study undertaken by McKenzie, which looked at the two-state region, and the result of that was an

identification that at that time there were approximately 250 companies employing about 25.000 workers who were in that energy mix, in that cluster.

Based on that information and that gathering, it was decided that we would initiate the creation of E⁴Carolinas as an energy association on behalf of the two-state region, and I and a group of others serve as the initial board of E⁴Carolinas, and over the last three years I have served as its Chairman.

That group, which grew from one member — one staff member and a handful of companies today comprises a staff of, I believe, now, 12. We have a substantial budget and our membership is approaching 150 different companies. should say a hundred different - 150 different entities. In part, that is traditional utilities, and I'll walk through some of those traditional utilities; suppliers to the energy arena; but it also includes educational institutions and a variety of others.

Going to the presentation, focusing on who we are, this really goes to Slide 3 -

[Reference: Presentation Slide 1] - we really encompass the full breadth of

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technologies in the region, so it is nuclear, renewables, traditional fossil energy, and a variety of emerging technologies. We don't have any fusion members yet. I do advise the Fusion Energy Association in Washington on these matters; we certainly hope to get fusion members down the line.

[Reference: Presentation Slide 2-3]

That's a scenario where, for example, Savannah River would maybe have an important part.

[Indicating.] Oh, I'm sorry. Okay, great, thank you.

Educational institutions: University of South Carolina, South Carolina State, and Clemson are members, along with a group of other entities in North Carolina.

Savannah River National Labs is a critical member of our team because of the excellence that they bring in energy research, and we are — as we will talk in a little bit — continuing to reach out to the capabilities that they bring.

Utilities: We have virtually every major utility participant in the two-state region, including a variety of energy cooperatives.

[Reference: Presentation Slide 4]

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Manufacturing, which is critically important in the State of South Carolina, is a very important element of the work that we do, and I'll mention some of those companies going forward.

In terms of initiatives — and I think this, as we walk through our presentation, I think this is where we are putting a significant amount of our efforts, are to alternative-fuel transportation, and that really takes the strength of the South Carolina automotive industry and combines that with historic lithium and battery manufacturing capabilities that are existent in North Carolina, as well as some which are emerging, including Toyota, and really move that into the region.

Hydrogen — and we'll talk in more detail about that later — is a significant economic driver and one in which there are opportunities for significant transformation of the energy economy, and we certainly are working very hard on that one.

Renewables: That is an area where this region has been a leader in terms of solar. We see significant opportunities down the line for wind, and that is something I think the two states will certainly be looking at, as well.

[Reference: Presentation Slide 5]

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I'm not going to go into a significant amount of detail on this particular slide because, obviously, you know this better than we do. Ι would note, on the energy consumption — which is the lower right-hand slide — many of the larger consumables of energy in South Carolina today are Nuclear is obviously a component for imported. which most of that generation comes from the State. Hydroelectric and biomass are important contributors, as well. But we do see, as the energy economy continues to grow, whether it is renewables, whether it is addition of hydrogen, or, potentially, advanced nuclear generation — which is an exciting topic - all of these contribute to a greater share of that actually, potentially, coming from the State of South Carolina, itself.

[Reference: Presentation Slide 6]

I mentioned a little bit we have 140-plus members and, as stated before, it is a mixture of utilities, companies that are in the service industry and manufacturing, universities, and startups.

We also have various nongovernment organizations, which both advocate for various elements of energy, some which wouldn't necessarily

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be obvious. One of these we are very proud of, as an organization, is, because we don't advocate for or against specific pieces of legislation or for specific rulemaking or other activities, we really provide a safe space for conversations about where the energy economy can go. It also gives us an opportunity to interact amongst our members and really try to grow business. That's on a businessto-business basis, as well as I mentioned trying to bring more of the nation's and international nuclear economy into the two-state region.

[Reference: Presentation Slide 7]

This gives you a sense of some of our large utility members, and, as I mentioned, this isn't just large integrated utilities, but we have a variety of cooperatives that play a very important part in our group. We have 24 members of our board and there are several members on that board that are represented from the cooperatives. So we want to make sure we have good diversity in that regard.

[Reference: Presentation Slide 8]

Going to service providers, this runs the gamut. Some of these are companies which provide the parts and pieces for utilities or other power Some of them are like the entities that

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Wes and I represent, which are law firms and other consultants who work on behalf of those very same But it gives us a wide mix of elements. partners.

[Reference: Presentation Slide 9]

In the manufacturing and EPCs, this has historically been a very vital part of our group. Obviously, manufacturing drives significant job creation, and we are very much focused on the notion of trying to enhance the level of job creation in the two-state region.

Westinghouse, for example, which has its international fuel operations not too far from here, is obviously one of our — one of the members who we've been trying to help expand those operations into other areas. Similarly, Siemens Energy, just across the border from Fort Mill, in Charlotte, has had a major increase in the scope of its operation that was particularly dedicated toward combined-cycle operations. They are now looking at expanding that potentially down the road to things like advanced nuclear, and we are certainly very supportive of those efforts, as well.

I would note on that slide Honeywell, which is on the middle right, is a major energy producer

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that just within the last several years has decided to locate its international headquarters in Charlotte. So as we see continued movement in both South Carolina and North Carolina increasing their population and being increasingly seen as desirable places to locate, these also are big drivers for large international corporations which are able to attract the workforces to these regions.

[Reference: Presentation Slide 10]

Others that I list here: Toshiba; 8 Rivers, which is an entity which is developing some cleanenergy technologies; a variety of different companies out there. And we continually try to expand and build on that, because we really do want to represent the entire energy economy.

[Reference: Presentation Slide 11]

Educational institutions have always been a key element of the work that we do. Both, as I mentioned, University of South Carolina and Clemson are members, along with their counterparts in North Carolina.

I would note here, too, the Electric Power
Research Institute. This is the large research
entity on behalf of the electric generating
industry. It has one of its two major offices in

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the region — actually, the largest footprint of

EPRI is in the Charlotte region — and they provide
an important role not only for the electric
industry but, because of the global reach of their
activities, really allows E⁴ to plug into a variety
of different areas we otherwise would not be able
to do.

I think here I would pause. One of the things
that we've found, as an organization, is, because

that we've found, as an organization, is, because we are represented by so many international companies and our board is representative of a wide variety of those same entities, we really are able to look at things at an international and national context that many state-based energy associations are not able to do.

I would also note, given our decision to bring SCCEBA into the E^4 fold, E^4 now represents the largest energy association in the State of South Carolina, and certainly our goal is to try to continue to build on that, both for the South Carolina economy and for our membership.

[Reference: Presentation Slide 12]

From a vision perspective, we really want to be an energy innovator. We want to attract companies who want to enhance economic development.

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little bit more about that. And, then, research and activities that we're doing — and this will be a conversation that John Morrison, our CEO, will talk about - there are some very interesting future growth areas for energy, all of which there's a strong connection with South Carolina and North Carolina. And we certainly want to help position our organization and our members to be leaders in that work.

[Reference: Presentation Slide 13]

Finally, our task forces: We talked a little bit about the South Carolina Clean Energy Industries Task Force, that Weston and Bryan lead. That has become an important element of strengthening our activities here in the State. I would note we do have offices located both on the grounds of the University of South Carolina, as well as at Clemson in Charleston, so we do have two offices here.

We've historically focused significantly on workforce development. We have an excellent training program. The Office of Regulatory Staff uses that for training a number of their members in, really, an introductory way on the energy

We have a boot camp, that we call it, industry. and that has been an excellent relationship between the two entities and their counterparts in the State of North Carolina, as well.

We have a Communications Task Force. Policy Task Force, and we do annual Washington fly-ins and update our members; that is an activity we've had significant interest and support by the two states, very frequently have had members of the North Carolina public utility commission participate in that. We would certainly like to engineer that program in a way it would be comfortable for members of this Commission to participate, as well, but happy to talk about that in the question-andanswer period.

Finally, I'll make one point and then turn it to John. Our real focus in the time that I have been Chairman is really focusing on the issue of economic development. And we list there four key areas where we believe there are some real defining capabilities for the South and North Carolina region, the first being alternative-fuel vehicles; the second being the green hydrogen economy; third being grid hardware and energy storage. And one which isn't listed there is advanced nuclear

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reactor technologies. We really do believe the base we already have in that arena will allow this region to really take a leadership role. And I'll let John tease that one out some more.

So, with that, I'll turn it over to John Morrison, our Chairman — our CEO and President. Thank you.

MR. J. MORRISON [E^4 Carolinas]: Jeff, thank you.

Good morning. Thank you very much for your time. We appreciate the opportunity to share with you about ${\rm E}^4{\rm Carolinas}$.

If we can go back to - yeah - the slides? Thank you.

[Reference: Presentation Slide 14]

In addition to the task force work that is organized by our members and led by various members of our board, we have a number of research activities; and as Jeff alluded to, most of them are research that is driving towards economic development, understanding the industry that we have here and the opportunities for growing the energy economy in both South and North Carolina.

Most of these are federal grants that we've received to do that work. The first is one on

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alternative-fuel vehicles, looking at resilience and storm response. The project basically is mapping alternative-fuel resources around the State, both electric and other sources of fuel, so that in the event of emergency those folks who are coordinating the response know where the resources are and can direct responders to those resources.

That project will be wrapping up later this year, and so we will be working with the various emergency response, and it is in both North Carolina and South Carolina, to share that knowledge and information with them.

The second project — again, funded from the Department of Energy — is an energy hardware cluster. This is an accelerator that works with small startup companies and basically helps them develop a business plan's funding and necessary So it's really an incubator to get small companies up and going, and that has recently just started, so we don't have any graduates, yet, of the program, but I think it's a very interesting collection of companies that are participating in that.

The third area is a green hydrogen effort that we have going. The grant is to — we'll be wrapping

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up this year - is to inventory all the green 1 2 hydrogen activity that's occurring in both states, in South Carolina and North Carolina. Following 3 onto that will be a really exciting opportunity, 4 5 which is the Southeast Hydrogen Energy Alliance, an alliance of companies - Savannah Lab and others -6 to promote the development of the hydrogen economy. 7 8 We had a call - I guess it was last week - in which we put together and had over 250 participants 9 representing industries and associations and 10 organizations from a five-state region here. 11 intent of that is to go after some of the funding 12 that's coming out of the Infrastructure Investment 13 14 and Jobs Act. DOE has about \$8 billion that they 15 expect to be funding at least four and maybe as many as eight hydrogen research hubs. 16 CHAIRMAN J. WILLIAMS: Mr. Morrison? 17 MR. J. MORRISON [E⁴Carolinas]: Yes. 18 CHAIRMAN J. WILLIAMS: I hate to interrupt 19 you, sir, but if you could move your microphone -20 MR. J. MORRISON [E4Carolinas]: A little 21 closer? 22 23 CHAIRMAN J. WILLIAMS: - closer to you? Yes, 24 sir. MR. J. MORRISON [E4Carolinas]: Thank you. 2.5

appreciate that. Thank you.

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We will be putting together that proposal for DOE and would hope to be able to put the Southeast in a very leading role in the hydrogen economy, something that we see as vital to where our energy industry is going.

HON. J. MERRIFIELD [E4Carolinas]: Just to add briefly to that, that \$8 billion is with the intention of having at least four hubs - more likely, it's going to be in the six to eight region nationally — for the hydrogen economy. And I think what we're seeing in the group that John and others have put together is this region is very well placed in things like transportation, whether it's roadways, the port facilities in the two states, in particular, and in some of the pipeline networks that are available, among other really key elements in building that out. So we think that's going to be a tremendous opportunity for the two-state region and our counterparts in Virginia, Tennessee, and Georgia. And we'll be working, hopefully, to identify a large contract organization that is in the position to run a multibillion-dollar contract, because we think, from a resource standpoint, we've got a very appealable grouping of entities in that

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MR. J. MORRISON [E⁴Carolinas]: Yeah. So that's definitely one to stay tuned.

[Reference: Presentation Slide 15]

The next slide is a grant that we're working on, on the advanced nuclear technology arena. This, like the hydrogen one, is basically an inventorying and tracking of what's happening in that industry, who the players are, what are the projects that are coming down the pike. It really — and this one is for the Department of Commerce — it really is a case of the basic information that we need if we're going to do economic development.

The Carolinas is historically strong in this.

Jeff mentioned that the origins of this organization really was within a nuclear cluster.

The reason for that is that we have probably the biggest cluster of companies involved in the nuclear industry here in North and South Carolina.

I don't know if you've been following it, but there's a lot of exciting developments around small modular reactors, and that's a lot of what the work here is doing, and saying, you know, "How do we grow that economy? How do we help the companies

that are doing that, and help move that technology forward?"

[Reference: Presentation Slide 16]

The last two grants that we have are slightly different. They're not federal grants; they come from other sources. The first is the Carolinas HBCU Energy Leadership Pathway. This is a grant that we - well, it's a program that we started with a volunteer advisory board in 2020, and it has now been funded with a grant from the Duke Energy Foundation and piloting with four HBCUs historically black colleges and universities — two in South Carolina and two in North Carolina. two in South Carolina are South Carolina State University and Bennett College.

The purpose and objective of that project is to introduce students at these schools to the energy industry and to encourage them to consider careers, and as they get into those careers to help them develop the necessary leadership skills to do It's a nice complement and with the leadership development that we already do in the industry.

It is a case that the energy industry is not very diverse, which is why this program was

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It came about from some conversations started. that we had during one of the policy visits to DC several years ago, in the office of Representative Clyburn, who basically asked, "What are you doing with HBCUs in the energy arena?" and sort of issued the challenge. And so, Jeff was there at that, and my predecessor, and they came back and said, "We're to put this program together, so, assembled that advisory board and put it on.

We just, first of this month, two days ago, brought on board the director for that program, and so this spring, this semester, we'll be interacting with students for the first time and enrolling them in that program, and look to have great results from that.

The pilot, as I said, is with four schools. Our intention is to eventually expand that to all of the HBCUs in both North and South Carolina. two states probably have more HBCUs than anywhere else in the nation. And, eventually, we think we will have a model that we can expand elsewhere nationally, as well. And as I said, the objective here is to really encourage students at these schools to go into the energy industry, an industry that hasn't really been well represented in that

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And the last grant is a project that we're doing, really, around public education, helping people understand the energy industry, where our electricity comes from, and how our utilities operate. It was a project that we're doing on behalf of Duke Energy. Duke wanted a, you know, unbiased party to present these and put these together, and serve as a real educational resource. That will be wrapping up. We'll be finishing that up this spring. And so probably this summer, you know, second quarter in all likelihood, those will be going live and providing a resource for people who want to get more information about just where does our electricity come from? How do we, indeed, keep the lights on, and all that goes on behind that?

[Reference: Presentation Slide 17]

Those are the research activities you've heard, task forces, and the like. We certainly will welcome any questions or comments that you-all have.

CHAIRMAN J. WILLIAMS: Thank you, gentlemen, for presenting, and Ms. Loomis, for being here with us today.

A couple of things I want to say and then I will open the floor to my colleagues.

First, I want to thank you-all for being responsive to Congressman Clyburn's question. Actions speak louder than words, and so I'm impressed that you-all — not that you wouldn't, but it's just good to see a presentation where an initiative like the Carolinas HBCU Energy Leadership Pathway is already in the works and is up and running, as opposed to aspirations. thank you for that. I appreciate that.

The next thing is a question: What, if anything, can the PSC do to bring more businesses to South Carolina?

HON. J. MERRIFIELD [E4Carolinas]: Well, Mr. Chairman, let me take the first crack at that. First of all, thank you very much for the comment that you made. I was there when we had that meeting in Mr. Clyburn's office, and I have to say, when he asked the question, "What are you doing with the HBCUs?" I had to sheepishly say, "At one point we had one of them as a member. And not all that much." And, you know, the question coming from that office was: "You-all have a problem with finding African-Americans in your workforce, don't

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And the answer is yes. "What are you doing vou?" about it?" So we made a commitment we were going to - you know, I didn't want to have to answer that question again and not be in a position to say we are actively engaged in trying to make a change there.

MR. W. ADAMS [E⁴Carolinas]: And, Mr. Chairman, I'll just add: Jeff is being modest. That was entirely his idea, so he gets full credit for that.

HON. J. MERRIFIELD [E⁴Carolinas]: important part - and thank you, Weston, for that.

MR. W. ADAMS [E4Carolinas]: Absolutely.

HON. J. MERRIFIELD [E4Carolinas]: The important part is we're able to take a framework of training we already have, and work - and the leaders on this are really leaders of those HBCU institutions — come up with something that's going to work for them and where we can make a commitment to helping that occur. And it's going to help our members because we want to create — our members are — we have 40 members that are already signed up to this program because they want to be participants. There is an urgent need to have more individuals - African-American community, frankly, Hispanic community, and others — involved in our

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workforce.

So thank you for that, allowing us to say a bit more about that question.

And so we want something that's

not only in the Carolinas, but our vision — and

Department of Energy and others — is for this

and North Carolina to really lead the way

that to happen here first.

In terms of what the PUC can do, you know, I think we are very sensitive to the fact, because of the statutory requirements placed on the institution, you have, you know, a lot of limits on what you can do. The one area that I think we would love to see a way to make it work is to engender more of a conversation with you and your counterparts in North Carolina at some of our summits, to talk a little bit about your role and your vision. Obviously, want to do that in a way that's consistent with South Carolina law, and comfortable with the attorneys with whom you work to make that happen. So I think that's an area

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where additional engagement there would be really helpful.

I think, too, this kind of a discussion — we hope this isn't the last. We'd like to be in a position to come to you in the future, whether it's a year or two years from now, and update you in terms of the progress that we're making in terms of helping to build the South Carolina and North Carolina energy economy.

And I think, finally, we want to be a Because we have an ability to tie into significant information about the development of these advanced technologies — advanced nuclear, fusion, hydrogen, advanced forms of renewable energy — we have some very good understanding of where those are going and want to serve as a resource if that will help you in the decisionmaking that you need to do.

Thank you.

CHAIRMAN J. WILLIAMS: Thank you, sir.

Attorney Adams, did you have -

MR. W. ADAMS [E⁴Carolinas]: No, sir, Mr.

Chairman. I think he covered it well.

CHAIRMAN J. WILLIAMS: All right. Thank you, Mr. Merrifield. I will say that it's not without

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good cause, but this is the most restrictive organization that I have ever been a part of. And so, hopefully, we can work together in some way, shape, or form to identify opportunities to have conversations that are congruent with the law. So, thank you for acknowledging that.

HON. J. MERRIFIELD [E4Carolinas]: Thank you.

CHAIRMAN J. WILLIAMS: Commissioners.

COMMISSIONER THOMAS: Mr. Chairman?

CHAIRMAN J. WILLIAMS: Commissioner Thomas.

COMMISSIONER THOMAS: Thank you.

I appreciate this. This has been very informative.

I was looking at page four, and on the righthand side there's the comment that says the world's most advanced wind-turbine drive-train testing facility. That just sounds interesting to me. I wondered if there's anything else that you can tell us about that.

HON. J. MERRIFIELD [E⁴Carolinas]: Well, that is a facility that's in Charleston. It's on the Clemson campus. It is the most innovative facility available. One of the things which is noteworthy about it, because it's located adjacent to a large deep-water port, very large wind-turbine machinery

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can be brought in off the water. And, of course, as you may know, offshore wind turbines are massive, 5 to 7 megawatt size facilities, so that the nacelle pods on those are very, very large. And they can be brought into that facility and tested by the team at Clemson. It is a world-class facility of which South Carolina should be very proud.

COMMISSIONER THOMAS: Okay.

HON. J. MERRIFIELD [E⁴Carolinas]: I'm sure they would be more than happy to take you — I'm sure Clemson would be more than happy to take you on a tour of it.

MR. J. MORRISON [E⁴Carolinas]: And I would add I think this is one area where South Carolina has a very distinct competitive advantage, which is in the arena of offshore wind.

The industry built massive things — wind turbines, you know, steel towers, the nacelles that Jeff referenced — all of which have to be transported by water. They can't be transported overland; they're just too big. And so with the ports that South Carolina has and the manufacturing capabilities that South Carolina has, I think it's well-positioned not just for facilities located —

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you know, generation facilities - located in South Carolina waters, but up and down the entire East Coast and to the Gulf. These things are readily transported; once you get it on a barge, you can move it many places. And so I think this is an area that South Carolina, I think, has a very distinct advantage.

HON. J. MERRIFIELD [E4Carolinas]: Yeah, I would just say, you know, we hear a lot about a lot of solar panels coming in from China. But we're also — and I know you-all are proud of the fact that South Carolina has lots and lots of BMWs that are being shipped to China. And so there is a real opportunity here for a large manufacturing base for the wind energy arena to be hosted here in South Carolina, some parts of North Carolina as well, and shipped, as John has mentioned, not just within the United States but internationally. That is a real large economic opportunity for this State, and hopefully we can help assist in making that happen.

COMMISSIONER THOMAS: Okay. And, so, I had another question on page 14, the green hydrogen. And you've got the map there with all of the blue dots. Can you give me an idea of what the blue dots represent?

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MR. J. MORRISON [E⁴Carolinas]: That is part of the inventory —

[Reference: Presentation Slide 14]

— that this project has done, in terms of identifying companies that are participating in the green hydrogen industry and the supply chain for that. And so this is a preliminary look at what exists here in this — in the five-state region. And again, as I mentioned, there are a lot of companies doing a lot of things here. It was eye-opening to me, as we got into this project, to understand exactly how much is going on here. But I think it positions the Southeast very, very well for one of these grants, and obviously then building the industry out as hydrogen becomes much more central to our energy story.

HON. J. MERRIFIELD [E⁴Carolinas]: Let me add a little bit to that. And I think there are sort of two buckets that I talk about. The first one is a production standpoint. Today the US Department of Energy is giving out a series of grants to a variety of US nuclear utilities that are taking off-peak power and intend to generate hydrogen in their areas. These have been received by Arizona Public Service; Exelon, based in Illinois; Xcel

Energy, in Minnesota; and there's also a project out in Ohio, with FirstEnergy. There are a number of other recyclable - renewable companies that are looking at green energy, as well. And green energy hydrogen is really, from our lexicon, noncarbonbased generation of hydrogen, and so when it's solar, nuclear, hydro, all of which can produce that green hydrogen.

What does it mean for the energy economy in the State? Well, one of the things that's being looked at very closely is the use of adding hydrogen in limited amounts - and this could be 10-15 percent — into the existing natural gas pipeline network for either home consumption or use by industry for power production purposes. the large turbine manufacturers - Siemens, GE, Alstom, among others — are looking at alternatives where you could have direct-burn hydrogen for energy production.

Hydrogen is also useful for things like marine transportation. This is very relevant, obviously, to South Carolina. There are test ships right now, near-shore. Hydrogen gets a little complicated because of the bulk-size tanks you have to have to utilize it. So, that hydrogen - direct hydrogen is

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more of a near-shore opportunity. We looked at

fuel for long-range transportation — long-range

marine carriers, so bulk cargo carriers, roll-

converted. And there are several companies in

on/roll-off, systems such as this, could be

well as ammonia for having that propulsion.

this in a paper that Pillsbury conducted with the Clean Air Task Force recently. An exciting area is actually ammonia. You can use the hydrogen and the molecules of the hydrogen to transform that into ammonia. Ammonia can actually be used as a dual Europe that are building dual-fuel, large marine ships that can use both traditional bunker fuel, as

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So there is a real opportunity here in South Carolina, because of the port system, to potentially link into that part of the hydrogen economy. So a lot of different areas that are developing and a significant amount of government funding, as mentioned before, available to try to transform us to that green-based energy.

COMMISSIONER THOMAS: Okay. I have one more question, and this one relates to page 15. And you mentioned the small modular reactors, and I guess I had two questions along those lines. One, what's going on in South Carolina or, well, the Carolinas;

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E⁴Carolinas SC Clean Energy Industries Task Force ND-2021-44-E Re: Introductions, Activities of E^4 , Merger of E^4 Carolinas/SCCEBA,

as well as the other question that I have in my mind, and you started mentioning the ports, and. personally, I thought about the nuclear-powered submarines and ships and all of that stuff that used to go in and out of Charleston all the time. But is there any relationship to those sorts of reactors and anything that, I don't know, that's being worked on with the small modular, or whatever? I just don't even really know enough to ask the intelligent question, but -

HON. J. MERRIFIELD [E4Carolinas]: Well -**COMMISSIONER THOMAS**: — that's where I'm coming from.

HON. J. MERRIFIELD [E4Carolinas]: Yeah, let me jump on that one. In addition to the role I serve on E⁴, I also am on the board and chair the Advanced Reactor Task Force for something called the Nuclear Energy Council, which is one of the two largest nuclear entities in Washington, and I spend a lot of time on this topic. In fact, I've given three different presentations to various of the NARUC committees and subcommittees, particularly in electricity, to talk about advanced nuclear. I'm happy to come back at a later meeting and go into this in more depth, if you're interested.

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But, in sum, these reactors generally range from micro-reactors of about 1½ megawatts to about the 300 megawatt size, and there are a variety of different designs using high-temperature gas, molten salt fast reactors. There is significant DOE funding — and when I say "significant" it is in the billions of dollars that has been put into developing a variety of these technologies. are initial plants that have been — for which funding has been received, to be placed in Wyoming, and that would be TerraPower, and that is a facility that's actually transformed from a former coal plant; X-energy, which is building a plant with Energy Northwest, and that is a hightemperature gas reactor; and then NuScale, which is actually a smaller light-water reactor more akin to the current fleet of reactors, that will be built by UAMPS, up in Idaho.

So there are a variety of technologies that are being assessed. There's been an announcement recently they're going to have a micro-reactor being placed in Alaska. So a lot of - a lot of things going on in the area, and one that I think this is worthy of the PUC being more aware of and

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From a maritime perspective, our fleet of carriers and submarines is made up totally of nuclear power plants. There are about 100 in the US Navy fleet. We had — the US had the original advanced — we had the original small modular reactor. It actually powered McMurdo Sound in Antarctica for about 20 years. So this is really not that new. There are some folks looking at potentially barge-mounted small modular reactors, so there is a tie-in to some of that former US Navy activity.

So, a lot of things going on, a lot more than I can say. But suffice to say it's a very active area; significant bipartisan support in Washington for advanced nuclear, and we'd be happy to come back and brief you in more depth, if you'd like.

MR. J. MORRISON [E⁴Carolinas]: And an example, you know, here close to home, is one of the companies that's a member of E⁴Carolinas, a startup, that is looking at a very innovative technology to take waste fuel — you-all know that we have quite a bit of it sitting in refueling pools and dry casks at many of the reactors here in the Carolinas, but taking that fuel and reprocessing it in a manner

that makes it suitable for the molten salt reactors that are being in development. That particular company is applying for a grant from the Small Business Innovation Research funding. But they're going to use Savannah River to do that initial testing. They obviously have the facilities at the National Lab there to do that.

And so that's an example, I think, of some of the stuff that's here close to home, but also just some of the really innovative thinking that's occurring, taking what has been this waste and a problem to be dealt with, and turning it into something that has a value and use.

HON. J. MERRIFIELD [E⁴Carolinas]: Yeah, and I apologize; I missed that part of the question.

John, thank you for adding there.

We have several other developers — Kairos

Power, which has a molten-salt pebble bed reactor
that they are — they've got an office in the
region. TrustWell Energy just located its
international headquarters; that's a molten salt
technology. That's going to be located in — the
international headquarters is located here in the
region. NuScale, which is the first company to
receive a license for its small modular reactor

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technologies from the NRC, they have an office in the region.

So we are seeing a number of companies that are locating operations in the two-state region because they really want to tie into the ecosystem that we've created in this area, and we think this is an area of real potential growth.

COMMISSIONER THOMAS: Thank you. I appreciate That's all I have. that.

CHAIRMAN J. WILLIAMS: Commissioner Caston.

COMMISSIONER CASTON: Actually, on that Slide 15, I had a question, too. You talk about creating a planned project. I guess this commerce grant will create a plan. Is this primarily funding just a study to look into the — could you elaborate on that?

MR. J. MORRISON [E4Carolinas]: Certainly, yes. It's basically an effort to look at the supply chain and the industry that exists here. And so it is a study; we're not talking hardware, we're not talking building anything at this point. sort of the foundational information that will let folks at the Department of Commerce - presumably, folks at DOE and the like - get a better understanding of where the industry is, what the

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current assets are, and essentially who's doing what.

Now, we also anticipate using it with our State Departments of Commerce and the local economic development boards to say, "Listen, you already have a network here." As they're doing their recruiting of new industry, they may be out talking to companies, we can help then make the introductions. If you're talking to someone who has part of the supply chain for nuclear reactors, you know, we can put them in touch with players that are here, because we have that database, we have that information.

So, really, that's why we focus on the economic development. It really is a case of this is fundamental information that allows us to make connections and help build the industry.

HON. J. MERRIFIELD [E⁴Carolinas]: Yeah, this particular study does go beyond North and South Carolina. It is incorporative of Virginia, Tennessee, and Georgia. But it also focuses on the notion that this, in order to really enable these advanced reactor technologies to deploy, we're going to need to bring in more supply participants and really rebuild — build and rebuild — that

network to have the capability for producing the components and technologies needed to advance these designs.

We really - having this inventory is going to make it very helpful for, whether it's the South Carolina Department of Commerce or others, to approach those technology developers and say, you know, "You want to build your reactor design. Let's explain to you the capabilities and resources and support we have here in South Carolina to really enable your technologies to move forward quickly." So it's going to be a great - you know, it's an inventory that has a multiplicity of purposes; but from a state standpoint, focusing on South Carolina, it will really provide a tool for the State to be a more effective advocate of why companies should be located here and pursuing these technologies.

MR. J. MORRISON [E4Carolinas]: And I'll just add, this afternoon we're going to sit down with the folks at Commerce and share that with them.

COMMISSIONER CASTON: Well, you answered all the questions before I could ask them, so - so, thank you very much for your presentation.

CHAIRMAN J. WILLIAMS: Commissioner Powers.

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COMMISSIONER POWERS: Thank you, Mr. Chairman.

And thank all y'all for being here today. rapid change that's happening with electric vehicles, and as that relates to your outreach program, what are the challenges you see particularly in the rural areas, in both the idea of electric vehicles, the practicality, and charging stations and all that? Is that something that's part of some of your work or discussions?

MR. J. MORRISON [E4Carolinas]: It's an issue. I don't know that we've gotten into that specificity, in terms of that. But as we look at alternative-fuel vehicles — and we use that term to be a lot more encompassing of the wide variety of alternatives that we have that can be lower carbon, in terms of vehicles — electricity I think is an important one that obviously works in areas where you have sufficient density and have the infrastructure for charging. In rural areas, you know, I would hazard a guess that what we're going to see is other forms of alternative fuels, be they — in all likelihood — hydrogen based, Jeff mentioned ammonia as one way to do it. Those of you that are familiar with farming, you know that farmers routinely handle and use ammonia as part of

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their fertilizing practices, and so it's a technology that I think is very familiar to them.

The other area is in heavy-duty vehicles, as well. That probably won't be electric. There's just too much energy that's needed to do that, and so some of these other alternatives that we're looking at, I think will come into play there.

I hope we don't fall into the trap of saying it's going to be all electric and only electric. That won't serve all of our needs.

HON. J. MERRIFIELD [E⁴Carolinas]: Yeah, I fully agree with John's comment on that. note, you know — and we don't have the answer to this yet - I think a lot of that is currently in process. And so, you know, we don't know - none of us knows at this point what's going to happen with Congress and what element of an infrastructure bill could or may get through.

I would say one piece that does have strong bipartisan support, including Senator Manchin of West Virginia, is the clean energy piece, and that does incorporate within it a significant amount of money for charging stations and building up some of that electric vehicle infrastructure. I think from our standpoint the two states should get their fair

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share of that money. Certainly, we'd do anything
on our part to help the delegation in that regard.
And I think that all plays into a variety of the
different work we've described today where we know
there are a variety of businesses in the two states
which are part of that network — from the
equipment, in terms of the batteries, in terms of
the hydrogen, in terms of the vehicle
manufacturing. We want to make sure that we bring
all of those together under our umbrella and really
enable a maximum utilization of these technologies
within economic and other sensibilities in a way
that will help get us to a cleaner economy but done
so in a way that's not overly expensive for the
users who ultimately have to drive those vehicles.
COMMISSIONER POWERS: Thank you, very much.
Thank you, Mr. Chairman.
CHAIRMAN J. WILLIAMS: Absolutely, sir.
Are there any more questions for the panel?
COMMISSIONER C. WILLIAMS: Chairman Williams.
CHAIRMAN J. WILLIAMS: Commissioner Williams,
you have the floor, ma'am.
COMMISSIONER C. WILLIAMS: Thank you.
Thank you-all for being here. This has been
fascinating, and I think you've opened some doors

1	and you've reaffirmed some information that we may
2	have known and, so, I really appreciate it.
3	My first question has to do with your
4	membership. And one of the logos that I saw made
5	me wonder, why Southern Company?
6	HON. J. MERRIFIELD [E ⁴ Carolinas]: Southern
7	Company — and I'm forgetting, and John will help me
8	with this.
9	COMMISSIONER C. WILLIAMS: Southern Power.
10	HON. J. MERRIFIELD [E ⁴ Carolinas]: Southern
11	Company —
12	COMMISSIONER C. WILLIAMS: And it really is
13	Southern Power, so maybe I've mixed up who we're
14	talking about.
15	HON. J. MERRIFIELD [E ⁴ Carolinas]: Southern —
16	and I forget; I think it's Southern Power —
17	purchased a entity in the Research Triangle area
18	that was involved in supply of various components
19	to the energy industry. And that was the original
20	nexus behind that membership.
21	It's also really reflective that Southern is
22	an important provider of energy in the State of
23	North Carolina. They have an open-market
24	subsidiary that operates a large combined-cycle
25	unit in Statesville, North Carolina, which is

north -

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COMMISSIONER C. WILLIAMS: Okay.

HON. J. MERRIFIELD [E⁴Carolinas]: — of Charlotte. My company's EnergyUnited, which is one of our members. EnergyUnited receives the majority of their power from that combined-cycle —

COMMISSIONER C. WILLIAMS: Okay.

HON. J. MERRIFIELD [E⁴Carolinas]: — unit, so in my personal instance, Southern is supplying the power in my house. So it was a natural nexus and I think an extension of the fact that we are looking beyond just the borders of the two states, in terms of trying to build relationships. You know, a river doesn't define an area and, obviously, the things that happen, you know, across the Savannah River also impact this two-state region, as well. So we very much were embracing, as were they, in being part of our network. We hope Tennessee Valley Authority thinks similarly and we'll be having them join at some point, hopefully, as well.

COMMISSIONER C. WILLIAMS: Nice. Glad I asked. On page 14, where you talk about the resilience for alternative-fuel vehicles, and I think you mentioned that that grant work was coming to a conclusion. And would you talk some more

about that mapping effort and who might be able to use it from a resilience perspective? I think it ties in a little bit to Commissioner Powers' question in terms of rural areas, but just curious what we might get at this stage in terms of information. Not "we" as in the Public Service Commission, but just the community.

MR. J. MORRISON [E⁴Carolinas]: The community, and actually it will be with a lot of the disaster response agencies in both states.

COMMISSIONER C. WILLIAMS: Okay.

MR. J. MORRISON [E4Carolinas]: That's the intent of this project. There's a three-year project; we're now in the third budget year for that project, and the tasks that remain to be done are to take the data and information that's been compiled, give it - provide it to those various entities. We'll be pulling some workshops together; we'll actually be running some, you know, sort of test emergencies, you know, to make sure that they understand how to access the information, how to get it.

So it involves the utilities, because obviously a lot of storm-response activity, you know, fire departments. All the first responders:

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public safety and the like. So, at this point, we haven't scheduled those workshops, and so I'm not sure who actually will respond to our invitation to participate, but that's who the audience is for it.

HON. J. MERRIFIELD [E⁴Carolinas]: Yeah, I would note, you know, three years ago we hadn't received any grants. This has been a major area of focus in our economic reach. And we were able to receive that one in no small part because of the importance that resiliency has to the two states and the degree to which we are affected by large storms, particularly hurricanes. And so this was really seen as an effort to build out and build in more of that resilience into the system and accommodate the fact that we do see a growing infrastructure of alternative-fuel vehicles, including but not limited to electric vehicles.

COMMISSIONER C. WILLIAMS: Will gaps be identified and recommendations for what we might do going forward?

MR. J. MORRISON [E⁴Carolinas]: I mean, certainly the tool that we're developing will be very easy to see those gaps. The deliverables that we have for the project don't include those recommendations. My guess is that the entities

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that we share the information with may then choose to figure out how to fill those gaps. HON. J. MERRIFIELD [E4Carolinas]: Well, you know, yes. We're going to be basically providing

COMMISSIONER C. WILLIAMS: Uh-huh?

the data that shows the existing framework.

HON. J. MERRIFIELD [E⁴Carolinas]: It may be you know, there's always a potential for follow-on activities that we could do as an organization that would say, "How would one go about filling some of those gaps?" You make - you made an excellent point. That's certainly something we'll look at.

COMMISSIONER C. WILLIAMS: And, finally, there has been a lot of discussion, and I think Chairman Williams may have kicked it off, and you-all may with his question about what we can do, but you've also identified a connection with NARUC. And so I just really want to tell you that NARUC is looking at doing an innovation webinar coming up this year, and you may - that is a way that, you know, we can communicate without - you know, outside of this kind of environment. And they reached out asking about, actually, the wind simulator. And so, you know, it could be a nice synergy.

Thank you for the good work that you do with

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1	regard to, you know, kind of looking out for
2	commercial opportunities in the State. Appreciate
3	you being here.
4	HON. J. MERRIFIELD [E⁴Carolinas]: Thank you
5	very much.
6	COMMISSIONER C. WILLIAMS: No further
7	questions.
8	CHAIRMAN J. WILLIAMS: Thank you, Commissioner
9	Williams.
10	Colleagues, any more questions for the panel?
11	[No response]
12	All right. Anything from the Office of
13	Regulatory Staff?
14	MR. HUBER: No, Mr. Chairman.
15	MS. RICHARDSON: Commissioner Ervin is trying
16	to say something.
17	CHAIRMAN J. WILLIAMS: Commissioner Ervin, you
18	have a questions, sir?
19	COMMISSIONER ERVIN [A/V]: [Indicating/inaudible.]
20	CHAIRMAN J. WILLIAMS: Commissioner Ervin, I
21	believe you're muted.
22	COMMISSIONER ERVIN ^[A/V] : [Indicating/inaudible.]
23	CHAIRMAN J. WILLIAMS: You're still muted,
24	sir.
25	COMMISSIONER ERVIN ^[A/V] : Can you hear me now?

1	CHAIRMAN J. WILLIAMS: Yes, sir. Please —
2	COMMISSIONER ERVIN ^[A/V] : Thank —
3	CHAIRMAN J. WILLIAMS: — proceed.
4	COMMISSIONER ERVIN ^[A/V] : — you, Mr. Chairman.
5	CHAIRMAN J. WILLIAMS: You have the floor.
6	COMMISSIONER ERVIN ^[A/V] : Thank you.
7	Let me thank the panel for this informative
8	presentation today. It's been most helpful. One
9	of the things that we are facing, as a Public
10	Service Commission in South Carolina, is to deal
11	with getting our arms around the myriad
12	technological advances in the area of power
13	production, distribution, storage, generation.
14	There's so many important issues that are going to
15	be coming before us. And I see you-all as a
16	resource, a very exciting resource, that you can
17	advise the Commission. I hope that you will be
18	intervening in some of these proceedings, because,
19	as you know, we are very limited, as the Chairman
20	said. Because we are subject to the Code of
21	Judicial Conduct, we cannot have ex parte
22	communications. We can't pick up the phone and
23	give you a call, nor can you contact us. We can't
24	e-mail you, nor can you e-mail us. And we can't do
25	site visits. You know, as much as we'd like to see

that Clemson facility down on the coast looking at wind, we're not allowed to do site visits.

So I think that the best role that I could see for your participation would be to actively intervene in dockets that you think you can provide some technical assistance, particularly as it comes to expert testimony, because we are limited on our small staff, due to budget constraints and the salary that it would take to hire a nuclear engineer. We can't hire one at State employee rates. We won't be able to. So we are left with a knowledge gap, and I see you as well-suited to step in and help us and help the people of South Carolina and the business and industry in our State to try to make better informed decisions that we're going to be called upon to make.

And I'll just speak to a couple of areas that I'm concerned about. We hear so much about grid resilience. We hear so much about how do we best prepare for extreme weather events. Obviously. that's become an issue. We've seen recent examples in Texas where the whole grid of ERCOT collapsed, and they're still trying to figure it out. And they say they're ready for the next extreme weather event, but I'm not so sure they are.

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We also saw a terrible hurricane hit the Louisiana coast and wipe out all the transmission lines that fed New Orleans. One of them actually fell into — the tower fell into the Mississippi River. And it's taken months to try to restore transmission lines.

How can we plan in advance so that we are not victimized in South Carolina and North Carolina as we have these extreme weather events? How can we harden the grid? What's the best practice in terms of resiliency planning?

I commend the Office of Regulatory Staff for their recent report that we just received this past week, which deals with some of these issues. They hired Guidehouse, a very highly respected investigative firm, and they took a look at all of the utilities in our State, and I commend that study to you if you've not reviewed it yet. But there are gaps when it comes to smaller utilities. So how can we, as a Public Service Commission, follow up with the Office of Regulatory Staff to see that these smaller utilities, like water companies, sewer companies, that are serving rural areas in our State — how can we bring them up to speed on resiliency?

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be one of the things that we're confronted with

this planning and execution when you're dealing

with entities that cross state lines? We

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utilities don't just operate in South Carolina, so there has to be some regional planning. that you can fill that need. Because we can't always know what the North Carolina Utilities Commission is doing. We try to stay abreast of it, but you can be there and you can perhaps report back or give us kind of an idea of what the plan And I know that investor-owned utilities want to do that, as well, and we respect that and look forward to that input. Finally, I want to say we are so proud to have one of our former South Carolina Public Service Commission chairmen serving our entire nation as Chair of the Nuclear Regulatory Commission. David Wright, I want to commend you. We are so proud of the work that you're doing in Washington,

DC. I'm hearing great things about your work. And

I've got a request — and I'm not going to go into

the specifics, because I don't want to ex parte

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But I will tell you I had asked Duke Energy to consider reapplying to the Nuclear Regulatory Commission for an extension of their license, which is about to expire in the next 10 years, as I And I'm hopeful that not just with the facility at Oconee Nuclear but all facilities, that the NRC will consider, where appropriate, and where safety standards can be met and established, that we extend the life of these facilities that have been serving us so well for so many years. know, if you just look at what happened in our State: A great safety record by Duke, a great employer that has served us so well over the years. And we need to keep that facility open and operational, to the extent that we can. would encourage you, at the appropriate time, to look at that issue, because we need — we need alternative sources of power generation that don't depend on solar or wind. And part of that is going to have to be nuclear. And I think that, unfortunately, some countries in western Europe they've written off the nuclear industry and chosen to close those plants, and that's a big mistake, because extending the life, I think, of those facilities where they can be extended to meet

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safety requirements, is imperative to a clean energy future for not just South Carolina but for our entire nation.

Finally, I want to ask you — I know that you're looking at North Carolina, and I know North Carolina currently is expanding their charging stations, not just to the cities but to rural They're doing it through a State grant program. So I hope you're going to look at that, because so many auto manufacturers in this country have made a substantial commitment to electric vehicles, and it's coming. And we've got to be prepared for it. And I don't know how we begin to build out a charging infrastructure in South Carolina, but we need a plan. So I hope that perhaps that's going to be part of your research, to come up with a plan that will serve our needs not just residential needs but the private sector needs of industry and commerce around the State and get that charging network in place as soon as possible.

If you'd like to comment on that, I'd look forward to hearing your response. And, again, thank you for your presentation today.

Thank you, Mr. Chairman.

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MR. W. ADAMS [E⁴Carolinas]: Mr. Chairman, I'll just give one comment and then turn it over to Jeff Commissioner Ervin raises a bunch of and John. great questions that I think Jeff and John can best answer.

I will just note, on the intervention question, that we are barred by our tax status. We're a 501(c)(6), so, unfortunately, we can't intervene. But I think the alternative to that is us to do what we're doing today. I mean, we could do an annual briefing. We can come as often as you — we can come every two years, every year, whatever you want us to do. But that's the workaround where we could really probably be useful to you in this setting, if y'all have found this productive. So, unfortunately, we can't intervene, but we can do what we're doing here today.

So, Jeff, you had a thought about the resiliency and some of the other stuff.

HON. J. MERRIFIELD [E⁴Carolinas]: Yeah, I would say two things. On that last thought, I mentioned this; we can also provide sort of targeted information if there are areas in which you'd like to have additional information. mentioned a briefing that I provide on advanced

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I would say a comment — I want to follow up on my good friend, David Wright. We're all very proud of the work that he's done. He has jumped into his role as a Commissioner of the Nuclear Regulatory Commission with both feet. He is very well-liked; he's really making a difference. And I am pleased to say, like many of you, he's my friend, and I'd do all I can to help him in that role and be successful.

As it relates to the existing fleet of nuclear power plants, there are 94 operating nuclear power plants in the US. All of them at this point have pretty much received an extension on their original 40-year licenses to allow them to operate for 60 years. The Commissioner mentioned a further opportunity for an additional extension of 20 years

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that would allow those to operate for a total of 80. Those reviews are currently underway. From my personal standpoint, knowing those plants - and I've visited all of them — every plant in South Carolina and North Carolina is in a position to be relicensed. They're operated very safely as a fleet, and, certainly, I would encourage that for the continued stability of clean energy generation in the Carolinas.

I would note the NRC is making initial discussions about the potential for a further extension that would allow those facilities to be used for 100 years. I think that is technologically feasible and, frankly, these facilities look a lot different than they did when they were first built. I think that's - I would certainly commend the utilities, writ large, for the investments that have been made to keep those facilities up-to-date, safe, and put them in a position for those extended operations for the states in which they serve.

With that, John, did you have anything else you wanted to say?

MR. J. MORRISON [E⁴Carolinas]: Just to respond to the question about the charging infrastructure.

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I don't think it's the place or the role for E⁴ to create the plan for that. However, what we can do, and it's demonstrated in some of this research, is we can pull together the basic information that will help whoever the deciders, the decision-makers, the plan creators are to make a full and robust and useful plan out of that. Because of the context we have, because of the staff that we have to collect that information, I think we can be that source for doing that kind of work.

COMMISSIONER ERVIN^[A/V]: Very good. Well, I appreciate those responses. And, again, thank you

commissioner ervin^[A/V]: Very good. Well, I appreciate those responses. And, again, thank you so much, and thanks for the clarification on your status as a potential intervenor, where I understand. And I think that, perhaps, Mr. Chairman, our Staff, our technical Staff could begin a process of thinking about how we could do this on a regular basis, because it has been most informative. And I'd like to see us do a semiannual if maybe not even — we could even do a quarterly ex parte with these folks, because we learn so much when we hear these developments. And we have — you know, you-all have a wealth of research available to you, that we do not. So, somehow, we've got to keep those lines of

communication open. And so I'm going to challenge our Staff to work with your staff and ORS to figure out a way to do it that serves the public interest and also commerce and industry in the Carolinas. Thank you again for coming today.

Thank you, Mr. Chairman.

MR. J. MORRISON [E⁴Carolinas]: Thank you for those comments. Let me just reiterate something, and this is something that the ORS staff is currently doing. But there's, I think, every reason for the Commission Staff to attend some of the workshops and leadership training that we do. Jeff mentioned the boot camp, but we also have some more in-depth training that goes over six sessions over the course of a year, that help individuals understand the energy industry in our region. So that's certainly open to, you know, Staff and we'd be happy to have that participation.

COMMISSIONER ERVIN^[A/V]: Well, we are proud of our Chairman, Justin Williams. He's participating in Leadership South Carolina right now, and he's using his annual leave to go to some of those sessions. And, you know, there's tremendous leadership on this Commission. I'm so impressed with the new members that have come on and brought

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so much to the table.

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So, you know, if we can do a leadership boot camp within the rules of engagement, so to speak, without violating any codes of conduct or statutory provisions, I welcome that. And maybe we can have that in-house. You know, impose on you to bring it to us. And, you know, we can do it live and make it transparent. I think it would be a great thing, because, again, we want to do the long-term planning, but right now, honestly, we're limited in our resources. And so I see this as a great opportunity for the Commission to expand its knowledge as it relates to all these challenges. Thank you again for coming.

Thank you, Mr. Chairman.

MR. J. MORRISON [E4Carolinas]: Thank you.

CHAIRMAN J. WILLIAMS: Thank you, Commissioner Ervin.

Commissioner Ervin — I'm sorry. Commissioner Caston.

COMMISSIONER CASTON: Not to drag this on any longer, but I would be remiss, since I've of heard former Representative David Wright and former Commissioner David Wright. He was also a former Clemson graduate -

ND-2021-44-E E^4 Carolinas SC Clean Energy Industries Task Force Re: Introductions, Activities of E^4 , Merger of E^4 Carolinas/SCCEBA,

<u>C E R T I F I C A T E</u>

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, Notary
Public in and for the State of South Carolina, do hereby
certify that the foregoing is, to the best of my skill and
ability, a true and correct transcript of all the proceedings
had regarding a requested allowable ex parte briefing in the
above-captioned matter before the PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA;

IN WITNESS WHEREOF, I have hereunto set my hand and seal, on this the $6^{\rm th}$ day of February , 2022.

Jo Elizabeth M. Wheat, CVR-CM/M|GNSC Hearings Reporter - Public Service Commission of South Carolina

Notary Public in/for the State of South Carolina My Commission expires: <u>January 12, 2031</u>.